

Contra Costa County

Department of Conservation & Development

STUDY SESSION #1
2015-2023
HOUSING ELEMENT UDPATE
(County File: GP#14-0001)

COUNTY PLANNING COMMISSION
MEETING
MARCH 11, 2014

<u>AGENDA</u>

Study Session Purpose

- Presentation
 - ☐ Housing Element Law Overview
 - ☐ Regional Housing Need Allocation (RHNA)
 - ☐ Key Facts and Issues, Important Trends
 - ☐ Schedule
 - ☐ Process Questions To Consider
- Questions, Answers, Discussion

Study Session #1: Purpose

☐ Informational, no specific action requested

☐ To provide CPC with background on the 2015-2023 Housing Element Update, and review current statemandated Housing Element requirements

☐ Seek CPC input at this initial phase of Housing Element Update process

State Housing Element Law

- ➤ Since 1969, one of seven mandatory elements of the General Plan
- Plan to meet the existing and projected housing needs of all economic segments of the community
- ➤ Required review and certification by CA Dept. of Housing & Community Development (HCD) for compliance with State Housing Element law
- Contents of Housing Element proscribed under State law

State Housing Element Law

- ➤ Since 1980, State law requires local jurisdiction to plan for its share of region's housing need
- ➤ Regional Housing Need Allocation (RHNA) is process for assigning share of regional housing need by income to a jurisdiction; jurisdiction must now report progress in meeting its share of regional housing need
- ➤ New 8-year timeframe for Housing Element's planning period, set by State law; used to be 5-year planning period

State Housing Element Law

There are consequences for not complying with State Housing Element Law:

- County would become <u>ineligible</u> to receive *Measure J Contra Costa Co. ½*Cent Transportation Sales Tax, Local Street Maintenance and

 Improvement Funds ("Return To Source"); County receives approx. \$2

 million annually in Measure J "Return To Source" Funds used for

 maintaining and improving roadways countywide
- County would become <u>ineligible</u> to receive certain State transportation and infrastructure funding grants
- County would be <u>vulnerable to lawsuits</u> from developers and housing advocates for not complying with State Housing Element Law
- County would be required to <u>carryover unfilled RHNA</u> to the next Housing Element planning period

Housing Element Contents

Pursuant to law, Housing Element must contain the following:

- ✓ Demographic Profile
- ✓ Housing Needs Assessment
 - Existing Need
 - Special Housing Needs
 - Projected Needs
- ✓ Residential Sites Inventory and Analysis
- ✓ Analysis of Constraints on Housing
 - Governmental
 - Non-Governmental

Housing Element Contents (continued)

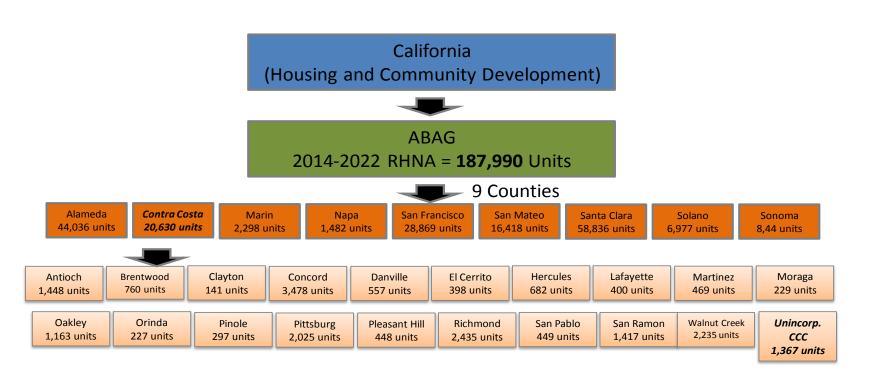
- ✓ Goals, Policies, Programs, and Quantified Objectives
- ✓ Adequate vacant residential sites
- ✓ Assist in development of affordable housing
- ✓ Remove governmental constraints
- ✓ Preserve existing affordable housing stock
- ✓ Promote equal housing opportunities

2015-2023 Housing Element Update

This Housing Element Update will focus on:

- 2010 Census, ABAG pre-approved data package, and other current data sources
- New information on the current housing market
- Evaluating implementation of 2009-2014 Housing Element
- Removing programs that have been implemented or discontinued (e.g. Redevelopment Agency programs)
- Exploring new housing programs to address local needs and priorities
- Pursuing HCD streamlined review based on certified 2009-2014 Housing Element

Regional Housing Need Allocation (RHNA) Process



Contra Costa County RHNA by Income Category Per Planning Period

(Unincorporated Area)

Income Category	HE Planning Period 2001-2006	HE Planning Period 2007-2014	HE Planning Period 2015-2023
Very Low (< 50% of AMI)	1,101	815	374
Low (51-80% of AMI)	642	598	218
Moderate (81-120% of AMI)	1,401	687	243
Above Moderate (> 120% of AMI)	2,292	1,408	532
TOTAL	5,436	3,508	1,367

AMI = Area Median Income

Contra Costa County RHNA Progress 2007-2014 Housing Element (as of Dec. 2013)

Income Level	RHNA Allocation by Income Level	Total Units to Date (Bldg. Permits)	Total Remaining RHNA by Income Level
Very Low	815	88	727
Low	598	53	545
Moderate	687	330	357
Above Moderate	1,408	1,647	-264
Total RHNA:	3,508		
Total permits issued		2,143	
Add'l Units Through Gen.	Plan Amendments	312 SFR	
Grand Total		2,143 (61%)	
Remaining Need for	or RHNA Period	-	1,365

Key Facts: Definition of Affordable Housing Prices and Rents

Income Level	Income Limit	For Sale	Rental
Extremely Low	0-30% AMI	30% of 30% of AMI	30% of 30% of AMI
Very Low	31-50% AMI	30% of 50% of AMI	30% of 40% of AMI
Low	51-80% AMI	30% of 70% of AMI	30% of 70% of AMI
Moderate	81-120% AMI	30% of 110% of AMI	30% of 110% of AMI
Above Moderate	< 120% AMI		

AMI = Area Median Income

Source: State Income Limits for 2014, issued by CA Dept. of Housing and Community Development (HCD) on 2/28/2014

Key Facts: Ability to Pay (2014)

Contra Costa County Median Household Income*: \$93,500

HH Income by Category	Monthly Rent	Max. Purchase Price
Extremely Low Income HH (30% of Median Income): \$28,050	\$690	\$ 61,580
Very Low Income HH (50% of Median Income): \$46,750	\$1,115	\$139,370
Low Income HH (80% of Median Income): \$66,250 **	\$1,403	\$290,057
Moderate Income HH (120% of Median Income): \$112,200	\$2,805	\$349,016

^{*} HCD State Income Limits, 2014, assumes a 4-person household and a 3-bedroom unit

^{**} U.S. Dept. of Housing and Urban Development (HUD)

Key Facts: Contra Costa County Households (HH) Profile

Households	Unincorporated Area	Countywide
Total Occupied Units (HH)	55,010	368,085
Total Renter HH	14,980 (26%)	112,420 (30.5%)
Total Owner HH	43,040 (74%)	255,805 (69.%)
Renter HH Characteristics		
Total Renter HH	14,980	112,420
Moderate or Above Income HH Renter	6,441 (43%)	46,675 (41.5%)
Lower Income HH Renter	8,540 (57%)	65,675 (58.5%)
Owner HH Characteristics		
Total Owner HH	43,030	255,805
Moderate or Above Income Owner HH	32,440 (75%)	194,060 (76%)
Lower Income Owner HH	10,590 (25%)	61, 745 (24%)

Key Issues: Housing Element Update

- ➤ Identification of residential sites to achieve RHNA
- Housing needs for persons with developmental disabilities
- > Constraints on housing development
- > Redevelopment Agency dissolution
- > Streamlined HCD review

Important Trends To Consider

- > Demographic Trends Influencing the Housing Market
 - "Silver Tsunami"
 - Millennial Generation
- Steady Housing Market Recovery
 - Above moderate housing market has recovered, but market aimed at moderate to low income HH is lagging behind
- The Bay Area's "Workforce Housing" Challenge
 - Large segment of workforce is priced out of housing market

Housing Element Update: Other GP Elements to be reviewed

Housing Element Update will trigger review of other General Plan elements per State law:

Safety Element

- Update flood hazard maps and policies to reflect 200-Yr. event, instead 100-Yr. (AB 162/SB 5)
- Update fire hazard map and policies to reflect new mapping by Cal Fire of State Responsibility Area and Very High Fire Hazard Severity Areas (SB 1241)

Land Use Element

 Identify disadvantaged unincorporated communities (DUICs), analyze water, wastewater, stormwater drainage, and structural fire protection needs of DUICs, identify gaps in services/facilities, and identify potential funding to extend services/facilities to DUICs (SB 244)

Schedule

Activity	Timeline
DCD initiates work on HE Update, including:	Winter/Spring 2014
Demographic Update	
 Needs Assessment 	
Sites Inventory & Analysis	
 Constraints Analysis 	
 Review Housing Goals, Policies, & Programs 	
 New Quantified Objectives 	
 Preparation of revised HE Text 	
 Public Outreach & Community Participation 	
CEQA Environmental Review	
CPC Study Session #1: Informational; input and guidance	March 2014
to staff on HE Update Process	
CPC Study Session #2: Review 1 st Draft HE for submittal to HCD for 60-day review	May 2014

Schedule (continued)

Activity	Timeline
CPC Public Hearing #1: review HCD comments on 1st Draft, consider staff recommended revisions, and approve 2nd Draft HE-Revised for another HCD 60-day review. Issue CEQA Environmental Review: IS/Neg. Dec.	Summer 2014 (early August)
<i>CPC Public Hearing #2</i> : review and consider HCD comments on 2 nd Draft HE-Revised, consider staff recommendations, and forward recommendation to Board on Final HE	Fall 2014 (late October)
Board of Supervisors Public Hearing : Hearing on Final HE, as recommended by CPC; Board adopts Neg. Dec. and Final HE	Fall 2014 / Winter 2015
Submit Board Adopted (Final) Housing Element to HCD for certification	Due by January 31, 2015
(State law: HE adoption must be no later than 120 days from 1/31/2015; HCD has 90 days to issue letter certifying compliance)	

Process Questions To Consider

- ➤ Does the Commission have any comments and/or questions regarding the key issues 2015-2023 Housing Element Update identified by staff?
- ➤ Does the Commission believe other issues should be studied and evaluated as part of the 2015-2023 Housing Element Update?
- Does the Commission agree with the proposed process and schedule for the update?
- ➤ Does the Commission have any thoughts or ideas about how to engage the public during the update process? Are there specific community groups/organizations that should be contacted during the update process?

Questions, Answers, Discussion



Contra Costa County
Department of Conservation & Development
2015-2023 Housing Element Update

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